

## **Modernizing Economic Development in Arizona**

A new economic development organization is being created as a result of a yearlong study of best practices in economic development undertaken by business and community leaders. The Arizona Economic Resources Organization (AERO) will coordinate and integrate the efforts of Science Foundation Arizona (SFAz), the Commerce and Economic Development Commission (CEDC), the Greater Arizona Development Authority (GADA), the Arizona Department of Commerce (Commerce), and the Arizona Global Network (AGN).

AERO will be responsible for doing the following:

- Set Economic Development strategy for Arizona
- Provide policy recommendations and guidance
- Lead positioning and branding for Arizona
- Increase trade and foreign direct investment
- Coordinate business attraction efforts to benefit the all of Arizona

AERO, a nonprofit, 501(c)(6), will feature a coordinating Board to work on policy and recommendations for statewide economic development, and integrate marketing and branding efforts for Arizona. Led by the private sector, the Board will ensure that all economic development efforts are consistent, and are working together toward a common goal: growing the businesses already in Arizona and attracting new, innovative businesses to our state.

### **The Players**

**Financing.** The **CEDC** develops the 10-year economic strategy for Arizona, and supports economic initiatives that have a fundamental impact on statewide, regional and local economies. Recent projects include funding for the feasibility and organization planning for Translational Genomics Research Institute (TGen), the Arizona Water Institute, and the Critical Path Institute in Tucson. The CEDC provides funding to support economic development efforts statewide. It is funded through two Arizona Lottery games, and is staffed by ADOC. The Commission features a nine-member board appointed by the Governor and confirmed by the Arizona State Senate.

**Infrastructure.** **GADA** is the State's public infrastructure bond bank that provides low-cost financing to political subdivisions, special districts and Arizona Indian Tribes. GADA has helped its borrowers build roads, municipal buildings, firehouses and other facilities that enhance economic development and serve local residents. GADA is funded through legislative appropriation, and is staffed by the Arizona Dept of Commerce. The Board features nine members, including four agency members and five members appointed by the Governor and confirmed by the Arizona State Senate.

**Job Creation and Community Support.** Commerce is the state government agency that is responsible for economic, business and community planning and development efforts throughout Arizona. In addition, Commerce leads statewide workforce initiatives, and houses the Arizona Energy Office and the Arizona Film Office. Soon, the agency will be providing strategic demographic and labor market information to local communities and businesses and enhanced community planning assistance.

**Research and Development.** SFAz is a nonprofit 501(c)(3) group whose membership includes CEOs of Arizona corporations. SFAz focuses on strengthening Arizona's scientific, engineering, and medical infrastructure to create a competitive advantage for innovation and encourage academic-industry strategic research partnerships in areas with greatest potential. SFAz is funded via a contract with the State and private fundraising efforts. SFA is governed by a 12-member board.

**AGN** will be a nonprofit 501(c)(3) which will include membership from economic development organizations throughout Arizona, including the Greater Phoenix Economic Council and Tucson Regional Economic Opportunities, with representation from the state's higher education system, Commerce and other entities. AGN will focus on statewide marketing and attraction efforts, international trade and foreign direct investment. AGN will be funded by public and private dollars.